

ALG minutes March 8, 2012

Present: Bart Wendell, facilitator; Mike Gowing, Pam Harting-Barrat, BoS; Pat Clifford, Doug Tindal, FC; John Petersen (when he left early he was replaced by Xuan) SC; Steve Ledoux, Steve Mills, John Murray & Don Aicardi, staff. Audience: Mary Ann Ashton, Clint Seward, FC; Janet Adachi, BoS; Charlie Kadlec, Allen Nitschelem & Bob Ingram, AVG.

Minutes were accepted

2. Review, discussion & outlying years of ALG plan

Extra Info: ALG spreadsheet; OPEB pay down options

JM: reported that there have been no changes on the ALG plan since last meeting. There were questions about what numbers should be put in for FY 14 & 15

Bart: we have assumptions needed for consensus—is there agreement in the revenue assumptions? The silence was taken for an assent. The same procedure was followed for the expenditure assumptions. The remaining assumption was for OPEB

Pat asked about the progress of the collective bargaining and the source of the revenue.

Steve L said the money would come from the operating budget

Doug noted that the FC was still concerned about the instability of the transportation budget—the experiment was to be for three years & then ideally be self-sufficient. The nursing service needs a three-year plan which shows how the service can overcome massive private sector competition and deliver its services efficiently. In the absence of any long-term approach there is discomfort—he will not vote against it.

The nursing service needs to be reconstructed—it has been done before. Those services that are provided by the private sector should stay private & we should not compete. “There have been lots of efforts to rationalize the numbers, that’s OK but we need a three-year plan.”

Mike said that transportation would never be self-funded

***There was an agreement for the need to “flag” the nursing service and that there should be discussions on how to go forward with the service. It was suggested that the meetings take place after Town Meeting but before the closing of the schools. It was also agreed to accept the OPEB numbers as they appear on the sheet.

***It was also agreed that the three boards should meet this summer to look into the out years and the use of reserves for those years. There is concern on the part of the FC that the budget should not be balanced on reserve use year after year.

However the growth of the OPEB number for FY 14 and beyond was not resolved

***Agreement that the ALG plan was accepted for printing in the warrant.

Discussion of OPEB numbers

JP noted that the number for AB was \$189k while that for the Town was \$311k

Mike suggested that the split between the town & schools be calculated outward just as the contribution number.

Bart asked if there was any chance that a schedule for OPEB payments could be accepted since there were three different schedules.

There was a general "feeling" that an agreement could not be reached without further discussion.

Doug noted that the \$500k set by the FC was a "political number" used to get people's attention. He noted that the number was not what was recommended by the FC's OPEB subcommittee but that there were limits on what could be contributed by the town in the near term without doing real damage to existing programs

There were three schemes circulated for estimating payments in subsequent years. The schedules were: incremental increases of \$100k/year, proposed by the schools; a 50% increase starting with the \$500k and going \$750k; 1,125k; \$2.2M....proposed by the selectmen; the FC proposal started with the \$500k and increased by \$500k per year.

Bart reminded the group that each new ALG group set their own regulations and could not be tied to decisions made by the previous group with regard to future operations.

The discussion centered on the importance of getting an OPEB schedule settled and the best way to do that was to meet in a subcommittee structure and bring possible agreements back to the whole group. There was the feeling that the next ALG needed to take into account the decisions on OPEB funding as a given before they started their new sessions.

For the Town Meeting it was agreed that the lowest schedule would be accepted.

No dates were given for the sessions for making these decisions.

Public

Mr. Kadlec suggested that something be in the warrant that will explain the differences in the numbers for the outlying years of FY 14 & 15 and that a range of \$700k - \$2 M be published

Allen: was concerned that the recommendations of the Segal report were not being heeded and that rather than \$500k the number should be \$2.2M. He suggested that the starting point for the out years be the \$2.2M number.

At 8:30 Bart dissolved the ALG

Ann Chang